

**UNITED STATES BANKRUPTCY COURT
EASTERN DISTRICT OF MICHIGAN**

In re

CITY OF DETROIT, MICHIGAN,

Debtor.

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) Chapter 9

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) Case No. 13-53846

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) Hon. Steven W. Rhodes

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**SYNCORA GUARANTEE INC. AND SYNCORA CAPITAL ASSURANCE
INC.'S AMENDED DISCLOSURE OF REBUTTAL WITNESSES AND
DOCUMENTS IN ADVANCE OF THE SEPTEMBER 23, 2013 HEARING**

On August 28, 2013 this Court held a status hearing regarding the *Motion of Debtor for Entry of an Order (I) Authorizing the Assumption of that Certain Forbearance and Optional Termination Agreement Pursuant to Section 365(a) of the Bankruptcy Code, (II) Approving Such Agreement Pursuant to Rule 9019, and (III) Granting Related Relief*, dated July 18, 2013, [Docket No. 17] (the “Assumption Motion”). In connection with the hearing set by the Court regarding the Assumption Motion for September 23, 2013, Syncora Guarantee Inc. and Syncora Capital Assurance Inc. (collectively, “Syncora”) file this amended disclosure of rebuttal witnesses and exhibits.¹

Witnesses

Syncora may call the following witnesses in rebuttal to the City’s case-in-chief:

¹ This amended disclosure is being filed to reflect the addition of Exhibit 16, a document produced by the City after the time for this disclosure was due.

1. Todd Snyder. Mr. Snyder will testify on topics that are consistent with his affidavit of July 12, 2013 filed in support of Syncora's Emergency Motion to Dissolve the Temporary Restraining Order and Conduct Expedited Discovery in Case No. 2:13-cv-12987-LPZ-MKM.
2. Alexandra Schwarzman. Ms. Schwarzman will testify on topics that are consistent with her affidavit of July 12, 2013 filed in support of Syncora's Emergency Motion to Dissolve the Temporary Restraining Order and Conduct Expedited Discovery in Case No. 2:13-cv-12987-LPZ-MKM. Ms. Schwarzman will also testify regarding her efforts to negotiate and execute a non-disclosure agreement with the City after the City obtained an *ex parte* temporary restraining order.
3. Service Corporation Directors. Syncora has requested that it be permitted to interview directors of the two Service Corporations that executed the Forbearance Agreement. If it is allowed to conduct these interviews, Syncora may call any of the four Service Corporation directors it is allowed to interview as witnesses.

Documents

Syncora may introduce the following documents as part of its examination of the City's witnesses or Syncora's witnesses. We understand that the City has copies of each of the documents listed below, but, in the event that the City does not have copies of any of the below documents, we will provide such copies to the City upon request.

1. Service Contracts dated June 7, 2006
2. ISDA Master Agreements dated May 25, 2005 and June 7, 2006
3. Amended and Restated Schedules to ISDA Master Agreements dated June 6, 2009
4. Contract Administration Agreement dated June 12, 2006
5. Trust Agreement dated June 12, 2006
6. Collateral Agreement dated June 15, 2009
7. Forbearance Agreement dated July 15, 2013

8. Syncora Municipal Bond Insurance Policy Series 2006-B, effective June 12, 2006
9. Syncora Swap Insurance Policies
 - a. UBS-GRS dated June 12, 2006
 - b. UBS-PFRS dated June 12, 2006
 - c. SBS-GRS dated June 12, 2006
 - d. SBS-PFRS dated June 12, 2006
10. Project Piston Cash Flow Forecast - monthly (FY 2013, FY 2014, FY 2015), as of June 21, 2013
11. City of Detroit Proposal for Creditors dated June 14, 2013
12. U.S. Bank Notice of Event of Default Regarding The City of Detroit, Michigan to Swap Counterparties and Ratings Agencies dated July 26, 2013
13. U.S. Bank Notice of Bankruptcy Filing to Beneficial Holders of Series 2005-A Certificates of Participation dated July 26, 2013
14. U.S. Bank Notice of Bankruptcy Filing to Beneficial Holders of Series 2006-A and 2006-B Certificates of Participation dated July 26, 2013
15. Jones Day - Syncora NDA (Swap Proposal) dated July 10, 2013
16. Forbearance and Optional Termination Agreement term sheet

Dated: September 10, 2013

Respectfully submitted,

KIRKLAND & ELLIS LLP

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